

Market Study Summary

In conjunction with the SR 28 Redevelopment Study, Miami Township contracted with The Gem Real Estate Group, Inc. and LSR Consultants to conduct a Real Estate Market Study for the same area. The findings of this market study played a significant role in formulating the redevelopment plan with the following considerations:

1. The relevant “life” of the market analysis is significantly shorter than the redevelopment plan; Estimated 1-2 years for the Market Study as opposed to 10-20 years for full implementation of the redevelopment plan.
2. The market analysis does not account for the impact of the implementation of some or all elements of the redevelopment plan. Implementation of one or more components of the plan would be expected to significantly stimulate the market, especially over time.
3. Unforeseen circumstances, global, national, state, or local, can have a significant impact on the market.

Summary of Relevant Facts

Listed below are key findings from the market analysis which are relevant to the SR 28 Redevelopment Plan. The findings have been categorized according to specific topics of study.

Definitions

Study Area – The State Route 28 Business District located in Miami Township, Ohio

Primary Market Area (PMA) – The source and location that will generate the majority (typically 80%) of demand for a particular product or service. For this analysis the PMA is estimated to be a 1½ mile radius.

Secondary Market Area (SMA) – The source and location that will generate the remaining (typically 20%) of demand for a particular product or service. For this analysis the SMA is estimated to be the area between a 1½ mile and 4 mile radii.

Total Market Area (TMA) – The source and location that will generate all the demand for a particular product or service. For this analysis the TMA is estimated to be a 4 mile radius.

Demographics

Miami Township's population grew by 32% between 1990 and 2001 to approximately 37,000. It is estimated to increase 2.8% over the five-year period from 2001 to 2006. The reason for the lower rate of increase projection is the lack of available housing sites within the Township.

Income and wealth statistics for Miami Township indicate that its residents are generally affluent and have relatively high disposable incomes and wealth as compared to Clermont County and the surrounding study areas.

Industrial Uses

The study concluded that industrial uses within the study area would be an inappropriate land use and redevelopment strategy.

Office Uses

The study concludes that "growth in the overall supply (of office space) currently outpaces the growth in demand which could indicate market saturation or possibly even overbuilding."

Residential Uses

The study addressed only the apartment market with the observation that the Cincinnati apartment market is stabilizing and that vacancy rates are a factor of both location and the proximity to amenities.

Retail Uses

The studies evaluation of the retail market points out that the study area has higher than average vacancy rates and lower than average rents. Local traffic counts and site location are cited as key factors that drive these rates.

Current Conditions

Miami Township, S.R. 28 Business District		
<u>Real Estate Inventory Summary</u>	<u>#</u>	<u>%</u>
1) Number of Properties	100	100%
- Number of Sites with Buildings	82	82.0%
- Number of Sites with out Buildings	18	18.0%
2) Average Building Height (Floors)	1.1	
3) Total Building Square Footage	797,510	100%
- Total First Floor Square Footage	724,326	90.8%
- Total Upper Level Square Footage	73,184	9.2%
- Total Occupied Square Footage	669,960	84.0%
- Total Vacant Square Footage	127,550	16.0%
4) Total First Floor Square Footage	724,326	100%
- Total Occupied First Floor Square Footage	596,776	82.4%
- Total Vacant First Floor Square Footage	127,550	17.6%
5) Total Upper Level Square Footage	73,184	100%
- Total Occupied Upper Level Square Footage	73,184	100%
- Total Vacant Upper Level Square Footage	-	-%
6) Number of Occupied Buildings (i.e. >0% occupancy)	78	95.1%
- Square Footage of Occupied Buildings	695,960	87.3%
7) Number of Vacant Buildings (i.e. 100% vacant)	4	4.9%
- Square Footage of Vacant Buildings	101,550	12.7%

PMA Net Unmet Demand and Additional Supportable Square Footage Summary

-	Adj. Net	PMA	PMA
	Unmet	Maximum	Minimum
<u>Consumer Category Type</u>	<u>Demand</u>	<u>Potential S.F.</u>	<u>S.F. Benchmark</u>
Apparel Products	\$23,468,617	47,491	12,385
Automotive Products & Services	-	-	-
Entertainment Products & Services	14,580,815	53,837	24,733
Food at Home (excluding Alcohol)	13,122,875	28,191	8,708
Food Away from Home. (Incl. Alcohol)	13,372,175	42,367	7,059
Household Products & Services	6,515,906	18,277	8,646
Other Misc. Products & Services	<u>4,055,107</u>	<u>8,323</u>	<u>2,155</u>
Total	<u>\$75.115.495</u>	<u>198.486</u>	<u>63.686</u>

SMA and TMA Unmet Demand Square Footage Summary

-	SMA Adj.	SMA	TMA Adj.	TMA
-	Net Unmet	Maximum Potential S.F.	Net Unmet Demand	Maximum Potential S.F.
<u>Consumer Category Type</u>	<u>Demand</u>			<u>Potential S.F.</u>
Apparel Products	\$81,437,538	11,873	\$104,906,155	59,364
Automotive Products & Services	-	-	-	-
Entertainment Products & Services	42,713,442	13,459	57,294,257	67,296
Food at Home (excluding Alcohol)	46,620,535	7,048	59,743,410	35,239
Food Away from Home. Incl. Alcohol	68,452,415	10,592	81,824,590	52,959
Household Products & Services	22,069,634	4,569	28,585,540	22,846
Other Misc. Products & Services	<u>14,724,160</u>	<u>2,081</u>	<u>18,779,267</u>	<u>10,404</u>
Total	<u>\$276.017.724</u>	<u>49.622</u>	<u>\$351.133.219</u>	<u>248.108</u>

PPotential Unmet Demand Square Footage Summary

	<u>PMA</u>	<u>SMA</u>	<u>TMA</u> <u>Maximum</u>	<u>TMA</u>	<u>TMA</u>
<u>Consumer Category Type</u>	<u>Maximum</u> <u>Potential S.F.</u>	<u>Maximum</u> <u>Potential</u> <u>S.F.</u>	<u>m</u> <u>Potential</u> <u>S.F.</u>	<u>Min. S.F.</u>	<u>S.F.</u>
				<u>Benchmark</u>	<u>Mult.</u>
<u>Apparel Products:</u>					
• Women's Apparel	14,178	3,544	17,722	2,130	8.3
• Children's Wear	8,824	2,206	11,030	1,508	7.3
• Men's Apparel	6,243	1,561	7,804	3,200	2.4
• Footwear	9,826	2,456	12,282	2,700	4.5
• Misc. Apparel & Accessories	4,331	1,083	5,414	1,620	3.3
• jewelry	<u>4,089</u>	<u>1,022</u>	<u>5,112</u>	<u>1,227</u>	<u>4.2</u>
Total:	<u>47,491</u>	<u>11,873</u>	<u>59,364</u>	<u>12,385</u>	<u>4.8</u>
<u>Entertainment Products & Services:</u>					
• TV and Audio Equipment	10,538	2,634	13,172	2,800	4.7
• Prerecorded Music – CDs, Tapes, Etc.	1,960	490	2,450	1,820	1.3
• Books	11,303	2,826	14,129	2,400	5.9
• Club Memberships/Dues/Fees	11,504	2,876	14,379	11,123	1.3
• General Sports Equipment	4,157	1,039	5,196	3,143	1.7
• Toys, Games & Hobbies	13,217	3,304	16,522	2,400	6.9
• Film Processing	<u>1,158</u>	<u>289</u>	<u>1,447</u>	<u>1,047</u>	<u>1.4</u>
Total:	<u>53,837</u>	<u>13,459</u>	<u>67,296</u>	<u>24,733</u>	<u>2.7</u>
<u>Food at Home (Excl. Alcohol):</u>					
• Bakery Products	5,508	1,377	6,885	1,606	4.3
• Meats	8,056	2,014	10,071	2,460	4.1
• Dairy Products	5,546	1,387	6,933	1,800	3.6
• Fruits/Vegetables	5,868	1,467	7,334	1,800	4.1
• Sugar, Nuts & other Sweets	<u>3,212</u>	<u>803</u>	<u>4,015</u>	<u>1,042</u>	<u>3.6</u>
Total:	<u>28,191</u>	<u>7,048</u>	<u>35,238</u>	<u>8,708</u>	<u>4.0</u>
<u>Food Away from Home. (Incl. Alcohol):</u>					
• Food Away from Home	15,225	3,806	19,031	2,142	8.9
• Alcoholic Beverages at Home	7,518	1,879	9,397	2,362	4.0
• Alcoholic Beverages Away from Home	<u>19,625</u>	<u>4,906</u>	<u>24,531</u>	<u>2,555</u>	<u>9.6</u>
Total:	<u>42,367</u>	<u>10,592</u>	<u>52,959</u>	<u>7,059</u>	<u>7.5</u>
<u>Household Products & Services:</u>					
• Furniture	11,167	2,792	13,959	5,400	2.6
• Major Appliances	3,713	928	4,641	2,046	2.3
• Fresh Flowers/Potted Plants	<u>3,397</u>	<u>849</u>	<u>4,246</u>	<u>1,200</u>	<u>3.5</u>
Total:	<u>18,277</u>	<u>4,569</u>	<u>22,847</u>	<u>8,646</u>	<u>2.6</u>
<u>Other Misc. Products & Services:</u>					
• Smoking Supplies & Accessories	6,679	1,670	8,349	1,440	5.8
• Male Personal Care (Hair)	<u>1,644</u>	<u>411</u>	<u>2,055</u>	<u>715</u>	<u>2.9</u>
Total:	<u>8,323</u>	<u>2,081</u>	<u>10,404</u>	<u>2,155</u>	<u>4.8</u>
Total Square Footage	<u>198,486</u>	<u>49,621</u>	<u>248,107</u>	<u>63,686</u>	<u>3.9</u>

Conclusions

- New upscale apartments or condominiums could be successful if price points and location in the district are appropriate.
- There is a strong indication of market need for new retail space in the district of between 64,000 and 250,000 SF.
- While automotive products and services appear to be meeting the market demand in the area, additional apparel products, entertainment, household goods, and food products (both at home and away from home) are needed in the study area, especially boutiques and specialty stores that cater to the upscale market in this area.
- A unified theme or image is required to attract new investment.
- A substantial change in the appearance, image and mechanics must occur and be supported by customers and businesses. Specific changes mentioned were: creation of a recreation/town center, improved traffic flow, streetscaping, adding a sit-down restaurant, upscale boutiques, and additional office space.